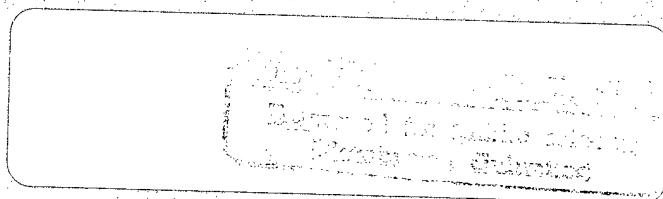


GAO

March 1998

MILITARY READINESS

Reports to Congress
Provide Few Details on
Deficiencies and
Solutions



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United States
General Accounting Office
Washington, D.C. 20548

**National Security and
International Affairs Division**

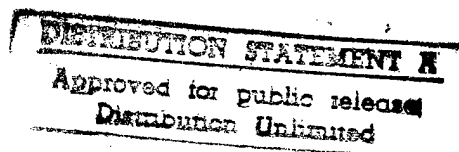
B-278930

March 30, 1998

The Honorable James M. Inhofe
Chairman, Subcommittee on Readiness
Committee on Armed Services
United States Senate

The Honorable Herbert H. Bateman, Chairman
The Honorable Solomon Ortiz
Ranking Minority Member
Subcommittee on Military Readiness
Committee on National Security
House of Representatives

The Honorable Norman Sisisky
Ranking Minority Member
Subcommittee on Military Procurement
Committee on National Security
House of Representatives



This report responds to your request that we review the Department of Defense's (DOD) efforts to improve its readiness assessment and reporting process. Specifically, we assessed whether (1) DOD plans to make improvements in its unit readiness database, including adding specific readiness indicators; (2) a monthly review process instituted by the Joint Staff has improved DOD's ability to assess readiness; and (3) DOD's quarterly readiness reports to Congress accurately reflect readiness information briefed to senior DOD officials and provide information needed for oversight of military readiness.

We are sending copies of this report to the Secretaries of Defense, the Army, the Navy, and the Air Force; the Commandant of the Marine Corps; and the Chairman, Joint Chiefs of Staff. We will also make copies available to others upon request.

If you have questions concerning this report, please contact William C. Meredith, Assistant Director, at (202) 512-4275. Other major contributors to this report were Carol R. Schuster, Christine D. Frye, and Thomas W. Gosling.

Mark E. Gebicke
Director, Military Operations
and Capabilities Issues

Executive Summary

Purpose

For more than a decade, various audit and oversight organizations have questioned the thoroughness and reliability of Department of Defense (DOD) reports on the readiness of U.S. military forces. Also, Congress has expressed concern regarding apparent inconsistencies between DOD's official readiness reports and the actual readiness of units in the field. Due to these concerns, the Senate and House military readiness subcommittees asked GAO to review DOD's efforts to improve its readiness assessment and reporting process. Specifically, GAO assessed whether (1) DOD plans to make improvements to its unit readiness database, including adding specific readiness indicators; (2) a monthly review process instituted by the Joint Staff has improved DOD's ability to assess readiness; and (3) DOD's quarterly readiness reports to Congress accurately reflect readiness information briefed to senior DOD officials and provide information needed for oversight of military readiness.

Background

DOD's readiness assessment system is designed to assess and report on military readiness at three levels—(1) at the individual unit level; (2) at the joint force level; and (3) at the aggregate, or strategic, level. "Unit readiness" refers to the ability of units, such as Army divisions, Navy ships, and Air Force wings, to provide capabilities required of the combatant commands and is derived from the ability of each unit to deliver the outputs for which it was designed. "Joint readiness" is the combatant commands' ability to integrate and synchronize units from one or more services to execute missions. "Strategic readiness" is a synthesis of unit and joint readiness and concerns the ability of the armed forces as a whole, to include the services, the combatant commands, and the combat support agencies, to fight and meet the demands of the national security strategy. Strategic readiness focuses on broad functional areas, such as intelligence and mobility, that meet worldwide demands.

The foundation of DOD's unit readiness assessment process is the Joint Staff's Status of Resources and Training System (SORTS). This automated system functions as the central listing for more than 9,000 military units. The system's database indicates, at a selected point in time, the extent to which these units possess the required resources and training to undertake their wartime missions. Units regularly report this information using a rating system that comprises various indicators on the status of personnel, equipment, supplies, and training. SORTS is intended to enable the Joint Staff, the combatant commands, and the military services to, among other things, prepare lists of units readily available, assist in identifying or confirming major constraints on the employment of units,

and confirm shortfalls and distribution problems with unit resources. Limitations to unit readiness reporting through SORTS have been well documented for many years by various audit and oversight organizations. For example, prior reviews by GAO and others have found that (1) SORTS ratings include subjective inputs, as well as objective measures; (2) SORTS data is not standardized among the services; and (3) SORTS ratings may be misleading because they are based on broad measurements that can mask underlying problems. The Joint Staff and the services have identified other needed improvements to the system.

To assess readiness at the joint level, the Chairman of the Joint Chiefs of Staff established the Joint Monthly Readiness Review in late 1994. During the review process, the Joint Staff compiles readiness assessments from the combatant commands, the combat support agencies, and the military services. These DOD components assess their overall readiness to undertake current and near-term operations and to meet the demands of a wartime scenario. The scenario changes for each assessment period.

The Joint Staff and the services use the joint review assessments to brief DOD's leadership on the Senior Readiness Oversight Council—an executive-level forum for monitoring emerging readiness issues. The briefings to the Council are intended to present a view of readiness at the aggregate force level. For instance, the Joint Staff reports on elements of strategic concern, such as mobility shortfalls, that are based on readiness deficiencies reported through the joint review. Similarly, the services report on the readiness of major combat units and on broad trends in personnel, equipment, and training. In addition, the Deputy Secretary of Defense periodically tasks the Joint Staff and the services to provide information on special readiness topics.

DOD is required under 10 U.S.C. 482 to prepare a quarterly readiness report to Congress. Under 10 U.S.C. 482(b), DOD must "specifically describe (1) each readiness problem and deficiency identified . . . (2) planned remedial actions; and (3) the key indicators and other relevant information related to each identified problem and deficiency." In mandating the report, Congress hoped to enhance its oversight of military readiness. The reporting requirement was expanded in 1997 to require DOD to include additional readiness indicators in the quarterly reports beginning in late 1998.¹ Examples of these indicators are historical and projected personnel trends, operations tempo, and equipment availability. A typical quarterly report is fewer than 20 pages, of which about two-fifths is devoted to

¹Section 322 of the fiscal year 1998 National Defense Authorization Act (P.L. 105-85, Nov. 18, 1997).

sections that quote the legislative reporting requirement, describe DOD's readiness assessment process, and list abbreviations. The remaining sections of the report highlight major readiness issues and summarize current readiness. Each report includes a classified annex that, among other things, provides the Chairman's overall risk assessment based on the wartime scenario used in the joint review.

Results in Brief

Over the last few years, DOD has, on the whole, taken action to improve its readiness assessment system. These improvements include technical enhancements to the unit readiness system as well as the establishment of formal DOD-wide forums for evaluating current readiness at the joint and strategic levels. GAO believes these changes represent progress; however, limitations to DOD's unit readiness system remain and may be reflected in DOD's readiness assessments. Additionally, DOD's quarterly reports to Congress provide only a vague description of readiness problems and remedial actions; consequently, they are not effective as a congressional oversight tool.

Both the Joint Staff and the services have initiated various efforts to improve the technical aspects of the Status of Resources and Training System. For example, they are developing software for entering data into the system to improve timeliness and accuracy. However, these efforts will not address other known system limitations, such as the lack of precision in reporting the status of unit resources and training. Further, the Joint Staff currently does not plan to add indicators to the system that were identified by a 1994 DOD-funded study as having potential value for monitoring readiness. These indicators, such as the availability of ordnance and spares and personnel stability, are similar to those required in the expanded 10 U.S.C. 482 reporting requirements added by Congress in 1997. The 1994 study did not recommend that the indicators be added to the unit readiness database, and Joint Staff officials said some of the indicators were not appropriate for inclusion in this database because they measure the readiness of forces at an aggregate level. DOD recently issued an implementation plan for responding to the new requirements to include additional readiness indicators in the quarterly readiness reports to Congress.

The Joint Monthly Readiness Review has added a new dimension to DOD's capability to assess readiness because it goes beyond the traditional unit perspective that was previously the focus of the readiness assessment system. During the review, for example, the Joint Staff brings together

readiness assessments from a broad range of DOD organizations and elevates readiness concerns to senior military officials. The review also has expanded DOD's readiness assessment capability by following a recurring cycle, adding a joint perspective, incorporating wartime scenarios, and tracking and addressing deficiencies. This review process, however, depends heavily on the judgment of military commanders because many of the readiness measures it captures cannot be quantified. In addition, because the services obtain data from the unit readiness system, any limitations to that system may be reflected in their joint review assessments.

DOD's quarterly readiness reports do not fulfill the legislative reporting requirements under 10 U.S.C. 482 because they lack specific detail on deficiencies and remedial actions. As a result, these reports do not provide information needed for effective oversight of military readiness. These reports accurately reflect information from briefings to the Senior Readiness Oversight Council and present a highly aggregated view of readiness, focusing on generalized strategic concerns. They are not intended to and do not highlight problems at the individual combatant command or unit level. DOD officials offered this as an explanation for why visits to individual units may yield impressions of readiness that are not consistent with the quarterly reports.

Principal Findings

DOD's Plans to Improve SORTS Will Not Address All Known Limitations

The Joint Staff is implementing a phased approach for improving the overall readiness assessment system, including SORTS. The first phase involves mostly technical changes to address SORTS software problems. One objective is to ensure that a single database is available DOD-wide. Currently, various versions of SORTS exist at any one time because the services, the Joint Staff, and other DOD components maintain their own databases. The second phase is a \$5.5 million effort to link SORTS with a database used for planning and executing joint operations and to make the system easier to use. Other Joint Staff plans call for connecting databases involving such functional areas as logistics, training, and personnel. The overall objective of this effort is to give commanders easy access to a wide range of readiness data within a common computer architecture. The services also have various efforts underway to improve the timeliness and accuracy of the SORTS database. Specifically, each of the services is

developing or implementing computer software to automate the process of entering SORTS data. The Joint Staff and service upgrades address many of the technical limitations to the database, but they will not address other SORTS limitations. For example, the upgrades will not address the subjective input to SORTS ratings, the lack of standardization of data among the services, and the lack of precision in measuring unit resources and training. In commenting on a draft of this report, DOD officials pointed out that much of the information in SORTS is objective and quantifiable, and they viewed the subjective input of unit commanders as a strength of the system because it is based on their professional judgment.

DOD funded a contractor study in 1994 that identified 19 indicators that were not in the SORTS unit readiness database but would be of potential value to the Office of the Secretary of Defense for monitoring readiness. The study did not recommend that the indicators be added to SORTS. Joint Staff officials said they did not plan to add the 19 indicators to SORTS because some of the indicators, such as recruiting status and equipment maintenance backlogs, measure readiness at the aggregate level and thus would not be appropriate for inclusion in SORTS. In February 1998, DOD issued an implementation plan for responding to the reporting requirement in 10 U.S.C. 482 to incorporate 19 additional indicators into the quarterly readiness reports to Congress. These 19 indicators are similar to those identified by the 1994 DOD-funded study.

Joint Review Has Expanded DOD's Readiness Assessment Capability

The Joint Monthly Readiness Review has enabled DOD to make a more comprehensive assessment of readiness than it made before the review was established in 1994. It looks beyond the traditional snapshot in time of unit readiness provided by SORTS, although SORTS data continues to be used in the assessment process. For example, the joint review provides a broad-based view of current readiness because it incorporates assessments from a wide range of DOD components. Combatant commands assess joint operational readiness, combat support agencies assess their joint support capability, and the military services assess unit-level readiness. On the basis of these inputs, the Chairman of the Joint Chiefs of Staff determines a level of risk associated with meeting the demands of the national military strategy.

The joint review has helped to institutionalize the process of assessing military readiness because it follows a recurring cycle. Each quarter, participating DOD components conduct readiness assessments and provide their reports to the Joint Staff. To provide a real-world assessment of

readiness, each component determines its ability to meet the demands of specified wartime scenarios. Past scenarios, for example, have included two major theater wars or a single major theater war and a smaller scale contingency as well as special threats such as terrorism. To determine readiness from a joint perspective, the combatant commands assess their readiness in eight functional areas: joint personnel; intelligence, surveillance, and reconnaissance; special operations; mobility; logistics and sustainment; infrastructure; command, control, communications, and computers; and joint headquarters capability.

The outcome of the joint review is a list of deficiencies that fall under the eight functional areas. As an example of a deficiency, one combatant command reported insufficient mapping for major portions of his geographical area. The joint review has added a formal process for addressing identified deficiencies. The deficiencies are entered into a database for tracking purposes and are assigned to a Joint Staff directorate, which coordinates and facilitates corrective actions. For each deficiency, the database includes the source of the deficiency, its status, and the estimated completion date for any remedial actions. As of January 1998, 237 deficiencies had been entered into the database, and 91 had been closed. Officials said that many deficiencies remain open because they require significant funding over the long term.

Joint Staff policy allows considerable flexibility to participating DOD components in how they conduct their joint review assessments. The Joint Staff has prescribed standard readiness ratings to be used by the combatant commands. However, they have allowed the combatant commands to independently develop measures for each of the eight functional areas. Although direct comparisons among the commands in the functional areas are not possible, officials told us that the flexibility is appropriate because of the differing functions of the commands and their areas of responsibility. The services derive the majority of their data from SORTS. Although they supplement this data through various other indicators, such as personnel and logistics data, the inherent limitations to SORTS may be reflected in their joint review assessments.

Both combatant command and service officials told us that despite the use of indicators, these assessments are fundamentally subjective. Officials said subjectivity was critical to obtaining a sound assessment of readiness because of the inherent problems of quantifying and measuring all factors affecting readiness.

Quarterly Readiness Reports Are Not Effective for Congressional Oversight

DOD's quarterly readiness reports to Congress reflect briefings provided to the Senior Readiness Oversight Council. Because no written record of the Council's meetings are maintained, GAO compared selected Joint Staff and service briefing documents provided to the Council with the corresponding quarterly reports to Congress. GAO's analysis showed that the information in these documents was accurately portrayed in the quarterly reports. In fact, the quarterly reports often described the issues using the same wording contained in the briefings to the Council. The briefings to the Council provide a highly summarized picture of DOD's readiness concerns, and the quarterly reports to Congress reflect the same broad-based discussion of readiness. Joint Staff and service officials described the briefings to the Council as executive-level summaries of readiness concerns. In addition, the Council tends to focus on a few specific topics at each meeting rather than all readiness indicators. The briefing format is intended to allow all participants to highlight and brief any readiness issues.

DOD's quarterly reports do not fulfill the requirements under 10 U.S.C. 482(b) to specifically describe identified readiness deficiencies and to provide key indicators and other relevant information. Lacking such detail, the quarterly reports provide Congress with only a vague picture of DOD's readiness problems. For example, one report stated that Army personnel readiness was a problem, but it did not provide data on the numbers of personnel or units involved. Further, the report did not discuss how the deficiency affected readiness. The quarterly reports also do not specifically describe planned remedial actions, as required under 10 U.S.C. 482(b). Rather, they discuss remedial actions only in general terms, with few specific details, and provide little insight into how DOD plans to correct the deficiencies.

Recommendation

To enhance the effectiveness of DOD's quarterly readiness report as a congressional oversight tool, GAO recommends that the Secretary of Defense take steps to better fulfill legislative reporting requirements under 10 U.S.C. 482 by providing (1) supporting data on key readiness deficiencies and (2) specific information on planned remedial actions.

Agency Comments

In written comments on a draft of this report, DOD concurred with the recommendation and stated that it was taking action. Specifically, DOD stated that the Senior Readiness Oversight Council had begun to focus greater attention on specific issues that can have significant effects on

Executive Summary

readiness. As these issues are addressed, they will be included in the quarterly report. In addition, DOD stated that the reports will include any possible remedial actions required.

DOD's comments appear in their entirety in appendix I. DOD also provided technical comments, which GAO has incorporated as appropriate.

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Abbreviations

DOD	Department of Defense
GAO	General Accounting Office
GSORTS	Global Status of Resources and Training System
JMRR	Joint Monthly Readiness Review
JOPES	Joint Operation Planning and Execution System
LMI	Logistics Management Institute
OSD	Office of the Secretary of Defense
SORTS	Status of Resources and Training System
SROC	Senior Readiness Oversight Council

Introduction

The Department of Defense's (DOD) operations and maintenance accounts represent a significant portion of the defense budget (37 percent of the budget in fiscal year 1998) and support key aspects of readiness, including field training exercises and the maintenance of equipment. While the Secretary of Defense has stated that he wants to provide enough funding in future programs and budgets to ensure forces are ready to carry out missions at acceptable levels of risk, there is uncertainty whether readiness accounts will be fully funded. In particular, DOD has sought to increase procurement funding for weapon system modernization and has acknowledged that it must reduce its operations and maintenance accounts to free up dollars for modernization. For this reason, DOD officials will need to closely monitor readiness levels to detect any emerging problems.

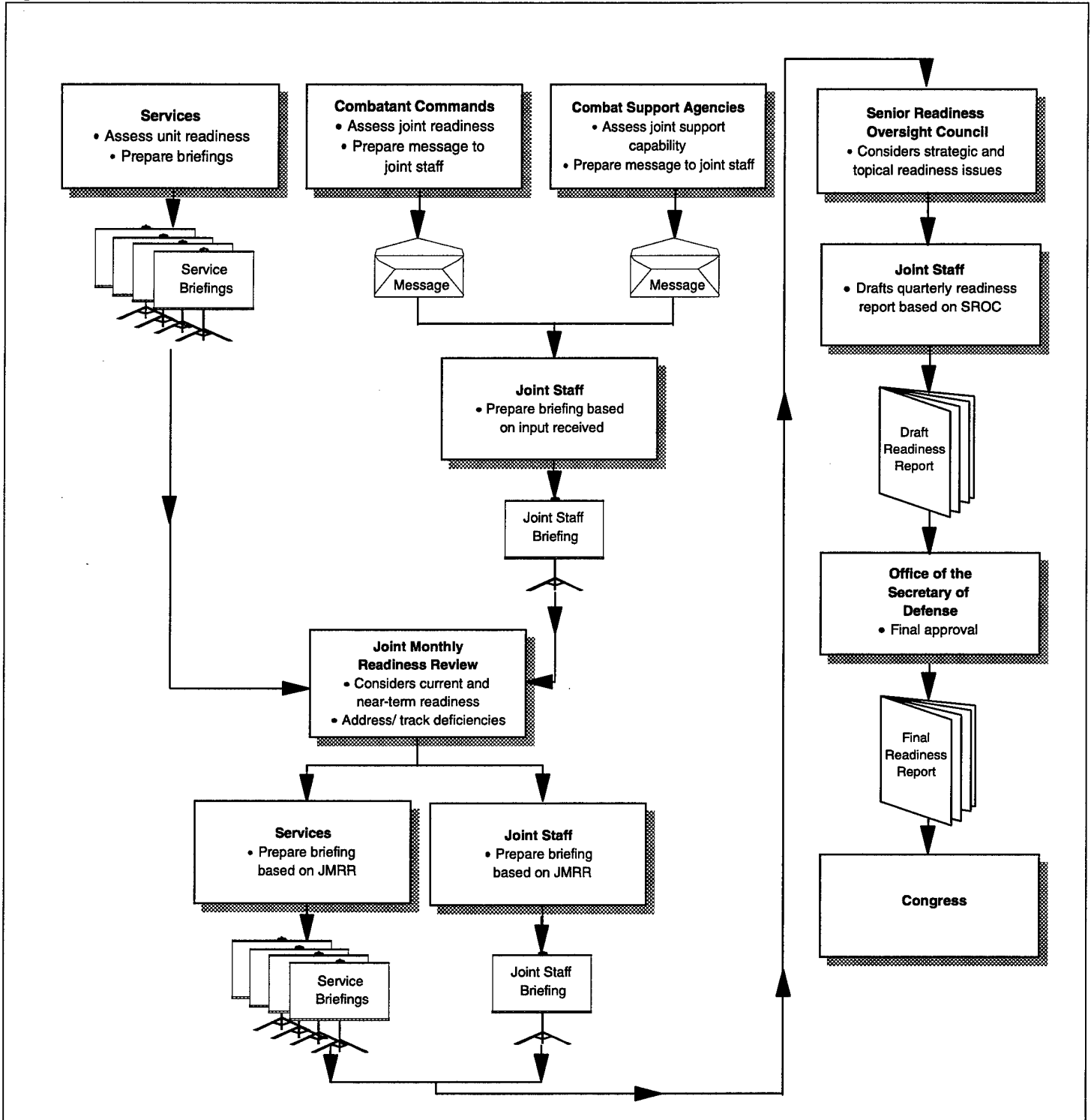
DOD's readiness assessment system is designed to assess and report on military readiness at three levels—(1) at the individual unit level; (2) at the joint force level; and (3) at the aggregate, or strategic, level. "Unit readiness" refers to the ability of units, such as Army divisions, Navy ships, and Air Force wings, to provide capabilities required of the combatant commands and is derived from the ability of each unit to deliver the outputs for which it was designed. "Joint readiness" is the combatant commands' ability to integrate and synchronize units from one or more of the services to execute missions. "Strategic readiness" is a synthesis of unit and joint readiness and concerns the ability of the armed forces as a whole, to include the services, the combatant commands, and the combat support agencies, to fight and meet the demands of the national security strategy. Strategic readiness focuses on broad functional areas, such as intelligence and mobility, that meet worldwide demands.

The foundation for assessing readiness at the unit level is the Status of Resources and Training System (SORTS),¹ an automated system for measuring the extent to which individual military units possess the required resources and training to undertake their wartime missions. To address joint readiness, the Chairman of the Joint Chiefs of Staff established the Joint Monthly Readiness Review (JMRR) in 1994. During this review process, the Joint Staff compiles readiness assessments from the combatant commands, the combat support agencies, and the military services. The Joint Staff and the services use the JMRR assessments to brief DOD's leadership on the Senior Readiness Oversight Council (SROC)—an executive-level forum for monitoring emerging readiness issues at the

¹SORTS officially evolved into the Global Status of Resources and Training System (GSORTS) with the advent of the Global Command and Control System. We use the term SORTS throughout this report because it is more familiar and continues to be commonly used.

strategic level. From these briefings to the Council, DOD prepares a legislatively mandated quarterly readiness report to Congress. Figure 1.1 provides an overview of DOD's readiness assessment process.

Figure 1.1: DOD's Readiness Assessment Process



SORTS Is the Foundation of DOD's Unit Readiness Assessments

The readiness of individual military units has long been the focus of DOD's readiness assessment process. The foundation for assessing unit readiness is SORTS, an automated reporting system that functions as the central listing of more than 9,000 operational units.² SORTS indicates, at a selected point in time, the status of personnel; equipment and supplies on hand; equipment condition; and training, as reported by each unit. In their reports, each unit commander also assesses the unit's ability to execute its wartime mission, indicated by one of five "C" levels.³ Units are required to submit their SORTS reports on a regular basis or when there is a change in their C level or location.

As a resource and unit monitoring system, SORTS is designed to support the information requirements of the Joint Staff, combatant commands, and military services for crisis response planning, peacetime planning, and management responsibilities to organize, train, and equip forces. For example, SORTS is intended to give users the ability to prepare lists of units that are readily available; estimate the time for earliest commitment of units based on their location relative to the situation; assist in identifying or confirming major constraints on the employment of units; track the location and resource status of assigned units; provide unit data for other automated systems; confirm shortfalls and distribution problems with unit resources; confirm which units are best able to support the redistribution of resources; and monitor corrections to shortfalls and problems.

The Joint Staff has overall responsibility for policies and procedures governing SORTS. The services and the U.S. Special Operations Command are required to ensure that all units comply with joint SORTS reporting policies and have issued implementing instructions to supplement these policies. The services, with the exception of the Marine Corps, require additional service-unique information to be included in unit SORTS reports.

²The requirement to submit SORTS reports applies to all combat, combat support, and combat service support units, including active and reserve units, tasked in the Single Integrated Operational Plan, an operations plan, or a service war planning document. Examples of reporting units are Army divisions, brigades, and battalions; Navy ships, submarines, and aircraft squadrons; Air Force wings, groups, and squadrons; and Marine Air-Ground Task Forces and related elements.

³A C-1 unit can undertake the full wartime mission for which it is organized and designed; a C-2 unit can undertake the bulk of its wartime mission; a C-3 unit can undertake major portions of its wartime mission; a C-4 unit requires additional resources or training to undertake its wartime mission but, if the situation dictates, may be required to undertake portions of the mission with resources on hand; and a C-5 unit is undergoing a service-directed resource change and is not prepared to undertake its wartime mission.

Senior-Level DOD Forums Review Current Readiness

Senior military and civilian officials within DOD are briefed on current readiness through two forums—the JMRR and the SROC. The JMRR was instituted in late 1994 in response to a directive from the Chairman of the Joint Chiefs of Staff to define, measure, and fix readiness. The Joint Staff's Readiness Division, established in the fall of 1994, is the proponent for the JMRR. The JMRR is designed, among other things, to alert the Joint Staff to any critical problems that affect readiness and to analyze the military's ability to execute wartime scenarios. The Vice Chairman of the Joint Chiefs of Staff chairs the JMRR meetings, and a wide range of military officials attend.

The JMRR forms the basis for briefings to the SROC, a group of senior DOD officials who meet monthly to review current readiness issues. The Council, which was in existence before the JMRR, changed its focus from future readiness to current readiness about the same time the JMRR was instituted. The Deputy Secretary of Defense chairs the Council, and senior officials from the Office of the Secretary of Defense (OSD), the services, and the Joint Staff attend. During SROC meetings, the services provide their assessments of unit readiness, and the Joint Staff provides a joint readiness assessment. The briefings to the Council are intended to present a view of readiness at the strategic level. For instance, the Joint Staff reports on elements of strategic concern, such as mobility shortfalls, that are based on readiness deficiencies reported through the JMRR. Similarly, the services report on the readiness of major combat units and on broad trends in personnel, equipment, and training. In addition, the Deputy Secretary of Defense periodically tasks the Joint Staff and the services to brief the SROC on special readiness topics. In April 1997, for instance, the services briefed the SROC on personnel shortfalls and pilot attrition.

DOD Is Required to Report Readiness Problems to Congress

DOD is required under 10 U.S.C. 482 to prepare a quarterly readiness report to Congress.⁴ Under 10 U.S.C. 482(b), DOD must “specifically describe (1) each readiness problem and deficiency identified . . . (2) planned remedial actions; and (3) the key indicators and other relevant information related to each identified problem and deficiency.” In mandating the report, Congress hoped to enhance its oversight of military readiness. The reporting requirement was expanded in 1997 to require DOD to include

⁴The law states that the information in the report shall be based on readiness assessments that are provided that quarter (1) to any council, committee, or other body of DOD that has responsibility for readiness oversight and whose membership includes at least one civilian officer in OSD at the level of Assistant Secretary of Defense or higher; (2) by senior civilian and military officers of the military departments and the commanders of the unified and specified commands; and (3) as part of any regularly established process of periodic readiness reviews for DOD as a whole.

additional readiness indicators in the quarterly reports beginning in late 1998.⁵ Examples of these indicators are historical and projected personnel trends, operations tempo, and equipment availability.

DOD submitted its first quarterly report in May 1996. The reports are unclassified, but a classified annex is also submitted. A typical quarterly report is fewer than 20 pages, of which about two-fifths is devoted to sections that quote the legislative reporting requirement, describe DOD's readiness assessment process, and list abbreviations. The remaining sections of the report highlight major readiness issues and summarize current readiness. The classified annex, among other things, provides the Chairman's overall risk assessment based on the wartime scenario used in the JMRR.

On the basis of the briefings presented to the SROC, Joint Staff officials write the first draft of the quarterly report and send it for informal review to an OSD official responsible for readiness assessment. This official reviews the report for accuracy and completeness and may suggest changes. Service readiness officials also review the first draft. After incorporating changes, the Joint Staff sends the revised report back to OSD for formal approval. The report is first approved by the Under Secretary of Defense for Personnel and Readiness. Then it is transmitted to senior officials in the services, other OSD offices, and the defense agencies for their concurrence. Once this concurrence is received, the report is sent to the Chairman of the Joint Chiefs of Staff, the Deputy Secretary of Defense, the Secretary of Defense, and finally to Congress.

Objectives, Scope, and Methodology

Congress has expressed concern regarding apparent inconsistencies between DOD's official readiness reports and the actual readiness of units in the field. Due to these concerns, the Senate and House military readiness subcommittees asked us to review DOD's efforts to improve its process of assessing and reporting readiness. Specifically, we assessed whether (1) DOD plans to make improvements to SORTS, including adding specific readiness indicators; (2) the JMRR process has improved DOD's ability to assess readiness; and (3) the quarterly readiness reports to Congress accurately reflect readiness information briefed to senior DOD officials and provide information needed for oversight of military readiness.

⁵Section 322 of the fiscal year 1998 National Defense Authorization Act (P.L. 105-85, Nov. 18, 1997).

We reviewed previous studies by our office, DOD, and other organizations to identify reported problems with SORTS and recommendations to improve the system. To evaluate DOD's plans to improve the system and to add readiness indicators, we interviewed officials and reviewed pertinent documentation at the Deputy Under Secretary of Defense (Readiness), the Joint Staff, and service headquarters. We also interviewed the DOD contractor that assisted OSD in studying the readiness assessment system. We did not test the reliability of the SORTS database to report the readiness status of units.

To understand how DOD assesses and reports readiness at the joint and strategic levels, we met with cognizant officials at OSD, the Joint Staff, and the services to discuss the JMRR and SROC processes and the development of the quarterly readiness reports to Congress. To determine how accurately the quarterly reports reflect briefings to senior DOD officials, we reviewed briefings to the SROC that supported the May and July 1997 quarterly reports to Congress. We selected these quarterly reports because they were the most recently completed reports at the time we began our audit work. Because minutes of the SROC meetings are not maintained, we discussed the format and content of SROC meetings with cognizant officials. We also traced information provided to the SROC to briefings provided to the JMRR. Specifically, we reviewed service, combatant command, and combat support agency input to the January and April 1997 JMRRs. To understand how the services develop their input, we traced selected input and supporting analyses to the service readiness offices and interviewed cognizant officials. To obtain a combatant command perspective on the JMRR, we interviewed or obtained information from officials at the U.S. Atlantic Command, the U.S. Central Command, the U.S. European Command, and the U.S. Pacific Command who are responsible for coordinating JMRR reports submitted to the Joint Staff. However, we did not evaluate their assessment process.

To determine whether the quarterly reports meet the informational requirements under 10 U.S.C. 482, we reviewed all six quarterly reports that had been issued at the time of our review to determine whether (1) identified deficiencies were specifically described and supported by data and (2) planned remedial actions were discussed and specifically described. We also analyzed the reports to determine trends in identified deficiencies and the extent that the discussion of readiness problems varied from report to report. We conducted a more in-depth analysis of the May 1997 report.

Chapter 1
Introduction

We performed our review from June 1997 to January 1998 in accordance with generally accepted government auditing standards.

DOD's Plans to Improve SORTS Will Not Address All Known Limitations

For more than a decade, audit and oversight organizations, including our office, have identified limitations to the SORTS unit readiness system. Some of these limitations, such as the inability of SORTS to signal impending changes in readiness, are inherent in the system. Other limitations can be characterized as technical because they involve computer technology. Still other limitations reflect problems in the content of unit SORTS reports, such as the lack of precision in reporting the status of unit resources and training.

The Joint Staff and the military services are working to improve the technical aspects of the SORTS database. For example, they are developing new software for entering data into the system to improve timeliness and accuracy. However, these upgrades will not address other limitations to unit SORTS reports that have been identified in prior reviews. OSD suggested further improvements to SORTS, but the Joint Staff was not pursuing these ideas at the time of our review. Additionally, the Joint Staff does not plan to add indicators to SORTS that were identified by a 1994 DOD-funded study as having potential value for monitoring readiness. According to DOD officials, further review of these indicators found that some were not appropriate for inclusion in a unit readiness database because they measure the readiness of forces at an aggregate level. DOD recently issued an implementation plan for responding to the new requirement in 10 U.S.C. 482 to include additional readiness indicators in the quarterly readiness reports to Congress. These required indicators are very similar to those identified in the 1994 DOD-funded study.

Limitations to SORTS Identified in Prior Reviews

Limitations to SORTS have been well documented for many years by various audit and oversight organizations, including our office. The DOD Inspector General surveyed past evaluations by various audit and oversight organizations and identified at least 41 reports issued between 1984 and 1996 that, in part, discussed the effectiveness of SORTS or its immediate predecessor, the Unit Status and Identity Report. An overwhelming majority of these reports discussed systemic limitations that, according to the Inspector General, continued to plague the system. The following is a partial listing of SORTS limitations identified in the most recent reviews by our office or the DOD Inspector General:¹

¹Military Readiness: Improvements Still Needed in Assessing Military Readiness (GAO/T-NSIAD-97-107, Mar. 11, 1997); Military Readiness: DOD Needs to Develop a More Comprehensive Measurement System (GAO/NSIAD-95-29, Oct. 27, 1994); and Evaluation Report on the Status of Resources and Training System, Office of the Inspector General, Department of Defense (Report No. 96-086; Mar. 15, 1996).

- SORTS represents a snapshot in time and does not signal impending changes in readiness.
- SORTS relies on military judgment for certain ratings, including the commanders' overall rating of unit readiness. In some cases, SORTS ratings reflect a higher or lower rating than the reported analytical measures support. In addition, ratings may be at odds with commanders' remarks submitted with the SORTS reports or may be inconsistent with information obtained from officials in the field.
- Broad measurements for SORTS ratings may be misleading indicators of resource availability because they can mask underlying problems. For example, SORTS allows units to report the same rating for personnel strength even though their personnel strength may differ by 10 percent.
- SORTS data is maintained in multiple databases located at combatant commands, major commands, and service headquarters and is not synchronized across the databases.
- SORTS is complex, time-consuming, and difficult to learn and understand.
- Services interpret SORTS reporting requirements differently, with the result that SORTS data is not standardized.
- Army SORTS procedures requiring review of unit reports up the chain of command delay the submission of SORTS data to the Joint Staff.
- SORTS reporting has been suspended during operational contingencies because of the difficulty in using the system, the reporting burden on units, and the failure to enforce reporting requirements.
- SORTS data may be out-of-date or nonexistent for some units registered in the database because reporting requirements are not enforced.
- Joint users cannot rely on SORTS to obtain authoritative unit status or location information, to plan deployments, to assess the execution of operations plans, or to assist in making time-sensitive decisions.

DOD has identified needed improvements to SORTS, which are discussed in the following section. However, in commenting on a draft of this report, DOD officials pointed out that some progress had been made in addressing these issues. They viewed subjectivity in SORTS reports as a strength because the commander's judgment provides a professional military assessment of unit readiness. They also noted that much of the information in the database is objective and quantitative. DOD officials also said a recent change in SORTS policy will require units to continue reporting during operational contingencies. Finally, the officials stated that SORTS was, in fact, authoritative.

DOD's Plans to Improve SORTS Focus on Technical Changes

Both the Joint Staff and the services have various upgrades underway to address problems with SORTS that they have identified. These upgrades, however, focus on improving the technical aspects of the database. They do not address other known limitations identified in reviews by our office or the DOD Inspector General. Some of these limitations are inherent in the system. For instance, the upgrades will not address the system's inability to forecast impending changes in readiness. The upgrades also will not affect the subjectivity of SORTS ratings. Commanders may still raise or lower the unit's overall readiness rating based on their professional judgment. Also, the upgrades will not (1) require uniform service interpretations of SORTS reporting requirements or (2) require more precise reporting of resource availability.

Joint Staff Efforts

The Joint Staff is implementing a phased approach for improving the overall readiness assessment system, including SORTS. The improvements are described in a "business" plan that was developed by the Joint Staff in response to the Quadrennial Defense Review. The plan had not been approved at the time we conducted our review.

The first phase of the plan is to improve the SORTS database, which involves mostly technical matters such as software problems affecting data input, retention, and access. According to officials, these SORTS improvements were identified by a users review panel that meets annually with SORTS users at the Joint Staff, the combatant commands, the services, and the combat support agencies.

One of the Joint Staff's main objectives during this phase is to ensure data is synchronized across the multiple SORTS databases. As stated earlier, this issue has been identified in prior reports as a system limitation. In addition, the database is being modified to retain only the most current remarks of a unit commander. Before this change, the database retained remarks from prior reports, commingling past and current remarks, which made analysis of SORTS reports more difficult. Also, service-unique data maintained in the SORTS database has been made available DOD-wide, Joint Staff officials said. The Joint Staff plans to make additional improvements to the database in fiscal year 1998. For example, Joint Staff officials told us that SORTS input fields will be changed to permit users to selectively edit data without retyping the entire entry. Another planned enhancement is to provide DOD-wide access to historical SORTS data. Currently, the services maintain separate historical SORTS files.

Joint Staff officials also said they were working with Army officials to improve the timeliness of Army SORTS reports. The Air Force, the Marine Corps, and the Navy have agreed to the Joint Staff requirement to report changes in unit C levels or location within 24 hours, but the Army has not, according to Joint Staff officials. Army officials told us that their computer hardware does not support the 24-hour reporting requirement and estimated it would cost \$56 million to acquire needed hardware. In addition, Army SORTS reports are forwarded up the chain of command before they are transmitted to the Joint Staff, thereby delaying their entry into the database. In commenting on a draft of this report, DOD officials said the Army has agreed to submit SORTS reports within 96 hours and will submit the reports within 24 hours when it has the tools to enable it to do so.

The second phase of the plan is to implement a project aimed at facilitating the use of SORTS data for operational planning and making the system easier to use. The project, called Global SORTS Enhanced, was initiated in June 1997. It is expected to take 32 months to complete at a cost of \$5.5 million, according to officials. A primary objective of Global SORTS Enhanced is to provide a more direct connection between the SORTS database and the Joint Operation Planning and Execution System (JOPES) database in order to expedite readiness analysis for various contingencies. JOPES contains the Time-Phased Force and Deployment Data portion of operations plans, including the units to be deployed, their desired sequence for arrival in theater, and routing information. The organization of data in Global SORTS Enhanced will allow for various types of readiness analyses and graphic presentations. Furthermore, the use of web technology will simplify data entry and enable units to confirm the accuracy of the data they submit, which officials believe should reduce database errors.

Other planned improvements to the readiness assessment system are designed to give commanders easy and quick access to a wide range of readiness data within a common computer architecture. For example, the Joint Staff plans to connect existing databases involving various functional areas such as logistics, training, and personnel. The plan calls for full implementation, dependent on funding, by fiscal year 2003.

Service Efforts

The Air Force has developed a computer application to standardize and facilitate SORTS data input. The SORTS input tool was made available to all Air Force reporting units in 1996, and currently about two-thirds use the

tool. According to Air Force officials, the input tool minimizes errors in SORTS data entry by simplifying the input process. The input tool automatically calculates unit readiness ratings and allows a user to input data directly into the SORTS database.

The Army has also developed an automated SORTS input tool; however, it is not fully integrated to all units. Many reserve units still report on paper, an Army official said. The Army also is developing a computer application that is to facilitate analysis of SORTS data and, eventually, to integrate SORTS data with other databases. According to Army officials, the application being developed is scheduled to be operational about fiscal year 2000.

In 1997, the Marine Corps implemented its own automated SORTS input tool. Marine Corps officials told us that the system allows units to report SORTS data electronically and directly to the DOD database, instead of reporting through the service chain of command.

The Navy does not have an automated SORTS input tool. Units manually submit SORTS reports to the DOD database through the Atlantic and Pacific fleet commands. The Navy plans to implement direct unit reporting into SORTS by July 1998.

Other SORTS Improvements Identified by OSD

At the same time the Joint Staff was developing a plan to improve readiness assessment, as discussed earlier, OSD conducted its own requirements study. An OSD readiness official said the Joint Staff plan is a step in the right direction. However, this official said the Joint Staff plan mainly addresses technical problems with the SORTS database and does not address other problems identified by OSD. While the Joint Staff does not intend to pursue OSD's suggested improvements at this time, OSD will continue to work with the Joint Staff to promote its suggestions, the official said.

The following are the potential improvements to SORTS identified by OSD:

- The Joint Staff and the services could modify SORTS reporting to permit units to indicate their readiness to meet assigned tasks linked to specific missions, such as a major theater war or a peace operation. Units could report separate ratings based on the requirements of these different missions.

- The Joint Staff and the services could change SORTS reporting so that units report their readiness to meet service tasks using the same task definitions as those used in the joint arena.
- The Joint Staff and the services could require unit commanders to report in SORTS the time required to deploy. Currently, Army units report only the number of days of training required to be ready. OSD concluded that the calculation of deployment time also should include mobilization considerations such as personnel and equipment.
- Units could identify assets key to warfighting and report on the readiness of such assets individually. Combat crews and pilots are examples of key warfighting assets.
- Units could report the actual percentage of required resources for personnel, equipment and supplies on hand, equipment condition, and training. The current ratings represent broad bands of readiness. For example, two units could report the same rating for available personnel strength even though one may have 89 percent of required personnel while the other may have as little as 80 percent. Reporting the actual percentage of required resources would, according to OSD, provide better detail on a unit's readiness status and have more meaning to senior leadership.

Joint Staff Has No Plans to Add Recommended Indicators to SORTS

In 1994, we found that SORTS did not provide information on several factors that military officials believed were needed for a comprehensive assessment of readiness—factors such as mobility, operating tempo, morale, and leadership. We reported on 26 indicators that were not in SORTS but that DOD commanders said were important for a comprehensive assessment of readiness. We recommended that the Secretary of Defense direct that his office determine which indicators were most relevant to building a comprehensive readiness system, develop criteria to evaluate the selected indicators, prescribe how often the indicators should be reported to supplement SORTS data, and ensure comparable data is maintained by the services to facilitate trend analyses.

A 1994 DOD-funded study by the Logistics Management Institute (LMI) reviewed the indicators discussed in our report and found that 19 of them could help OSD monitor critical aspects of readiness.² (See table 2.1 for a list of these 19 indicators.) Some of the indicators were considered to be of high value for monitoring readiness, and others of medium value. The study recommended that DOD (1) identify and assess other potential indicators of readiness, (2) determine the availability of data to monitor

²An Initial Assessment of GAO Collected Readiness Indicators: Their Value in Monitoring Mid-Term Readiness and Avoiding Hollowness, Logistics Management Institute (Oct. 1994).

indicators selected, and (3) estimate benchmarks to assess the indicators. Although our study and the LMI study concluded that a broader range of readiness indicators was needed, both left open how DOD could best integrate additional measures into its readiness reporting.

Table 2.1: Indicators Identified in 1994 LMI Study

Category	Indicator	Value
Personnel strength	Individual personnel status	Medium
	Historical and projected personnel trends	High
Personnel turbulence	Recruit quality	High
	Borrowed manpower	Medium
	Personnel stability	Medium
Personnel—other	Personnel morale	High
	Medical and dental readiness	Medium
	Recruiting shortfalls	High
Training	Unit readiness and proficiency	Medium
	Operational tempo	High
	Funding	High
	Commitments and deployments	High
Logistics—equipment fill	Deployed equipment	Medium
	Equipment availability	Medium
	Not mission capable	Medium
	Age of equipment on hand	High
	Condition of non-pacing items	Medium
Logistics—equipment maintenance	Maintenance backlog	High
Logistics—supply	Availability of ordnance and spares	Medium

Joint Staff officials said they had no plans to add the indicators to SORTS that were identified in the 1994 LMI study. In February 1998, DOD issued an implementation plan for responding to the reporting requirement in 10 U.S.C. 482 to incorporate additional indicators into the quarterly readiness reports to Congress. The new requirement, which takes effect

beginning in October 1998, specifies 19 indicators that are very similar to those identified in the 1994 LMI study.³

The new reporting requirement does not require DOD to incorporate the indicators into SORTS, and various DOD readiness officials said they did not believe it would be appropriate to do so. According to these officials, some of the indicators measure readiness at an aggregate level rather than at the unit level. For instance, historical and projected personnel trends, recruiting status, and equipment maintenance backlogs measure readiness on an aggregated basis rather than on a unit-level basis. Data on such indicators would be available from higher level commands, not from the unit level. Readiness officials, for example, said they can obtain data on deployed equipment, nonmission-capable equipment, and availability of ordnance and spares from service logistics offices at the headquarters level. Moreover, the officials said some of these indicators are used to prepare readiness briefings for the JMRR and the SROC. They also emphasized that while SORTS is the foundation of the readiness assessment process, it is not the only source of data used to assess readiness.

Conclusions

While the current Joint Staff and service upgrades to SORTS address the technical aspects of the database, they will not address other limitations that have been identified in prior reviews. Thus, it is likely that questions will continue to be raised about the reliability of SORTS in reporting unit readiness. Furthermore, while the services use other data in addition to SORTS, they still rely heavily on this database for their readiness assessments at the joint and strategic levels. Thus, any inherent limitations to SORTS may be reflected in their assessments.

The additional improvements to SORTS suggested by OSD could help to clarify the information in the database and enhance its usefulness to OSD and other users such as the combatant commands. For instance, by reporting actual percentages along with their resource ratings, units could provide more definitive information on the actual status of their resources. Likewise, a requirement to report separately on key warfighting assets could provide better visibility of these assets. It remains to be seen, however, whether these proposals will lead to concrete actions to improve the system.

³The new legislative requirement deletes the medical and dental readiness indicator and adds a new indicator on prepositioned equipment. Also, the individual personnel status indicator is expanded to include personnel skills.

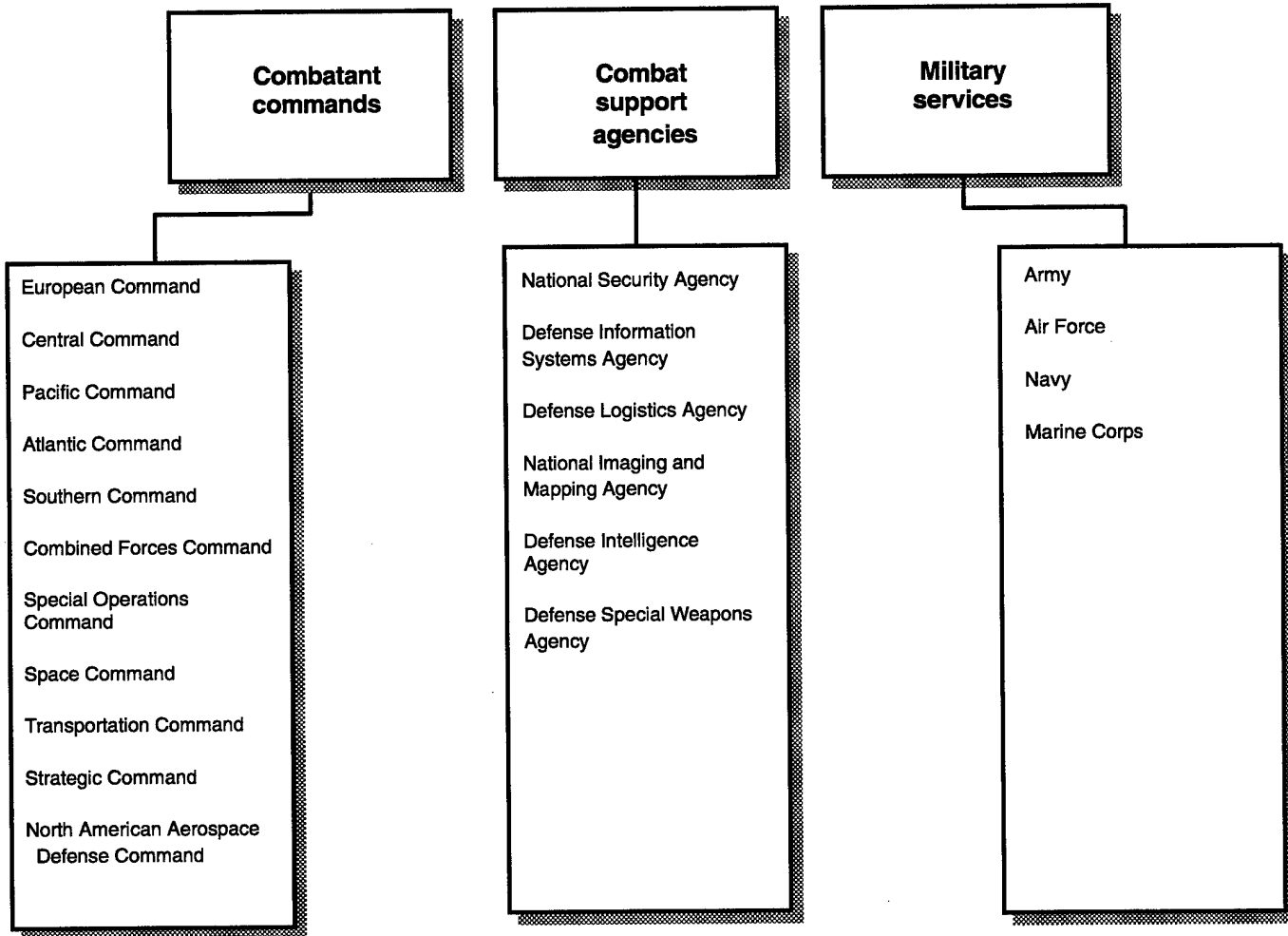
Joint Review Has Expanded DOD's Readiness Assessment Process

The Joint Monthly Readiness Review represents progress toward a more encompassing readiness measurement process. The review goes beyond the traditional unit perspective that was previously the focus of the readiness assessment system. During the review, for example, the Joint Staff brings together readiness assessments of current and near-term readiness from a broad range of DOD organizations and elevates concerns to senior military officials. The JMRR is conducted on a recurring basis, which has helped to institutionalize the process of assessing readiness at DOD. It also has added a new dimension to DOD's readiness assessment capability by including wartime scenarios, which are intended to provide insight into whether U.S. forces are ready for their most demanding missions as well as other threats. The JMRR adds a joint perspective by incorporating assessments from the combatant commands. Finally, the review has added procedures for tracking and addressing reported deficiencies. While DOD components are required to report on specific readiness areas using a common rating scale, the assessment process itself is not standardized. In addition, the assessments are subjective by design, ultimately reflecting the judgment of senior military commanders.

Senior Officials Acquire a Broad-Based View of Current Readiness

The JMRR considers readiness from a broad-based operational and strategic viewpoint. While unit readiness is considered, the primary focus of the review is to identify and address deficiencies that may reduce or preclude a combatant command's ability to perform assigned missions. JMRR assessments encompass 11 combatant commands, 6 combat support agencies, and the 4 military services (see fig. 3.1). The combatant commands assess their joint operational readiness, the combat support agencies assess their joint support capability, and the military services assess unit-level readiness. On the basis of these inputs, the Chairman of the Joint Chiefs of Staff estimates the overall risk associated with meeting the demands of the national military strategy.

Figure 3.1: DOD Components Providing Input to the JMRR



The JMRR has enabled DOD to make a more comprehensive assessment of readiness than was the case prior to its establishment in 1994. It looks beyond the traditional snapshot in time of unit readiness provided by SORTS, although SORTS data is used in the assessment process. Officials involved in the review said readiness problems at the unit level may not surface through the JMRR because the services discuss broad-brush readiness issues in their briefings.

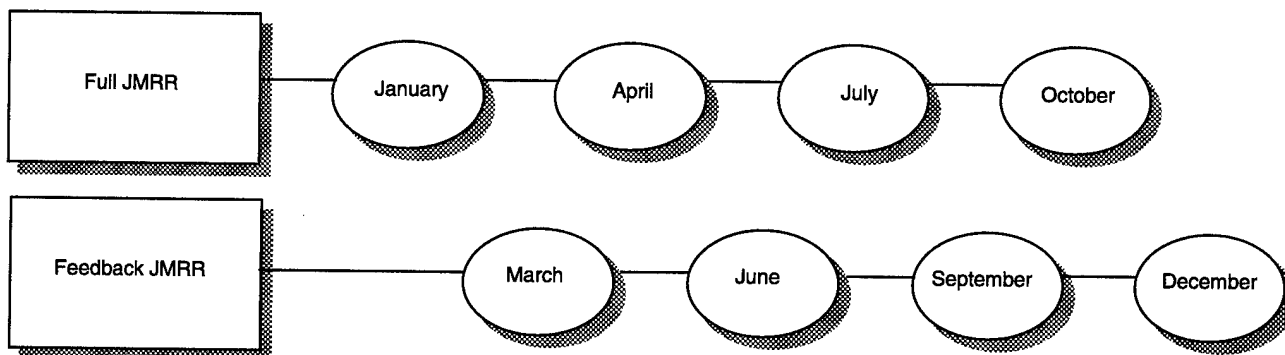
A distinctive feature of the JMRR is its emphasis on current and near-term readiness. The participating DOD components assess their readiness to meet ongoing commitments, project near-term readiness over the next 12 months, and assess their preparedness to meet the demands of a wartime scenario (discussed later in this chapter). While current readiness deficiencies often require long-term, programmatic solutions, the JMRR seeks mitigating actions that can be implemented within the next 2 years.

The JMRR elevates current readiness deficiencies to the attention of senior military officials. The senior leadership of the participating DOD components reviews and approves the JMRR assessments. The Vice Chairman of the Joint Chiefs of Staff chairs the JMRR meetings. The service operations deputies and the Joint Staff directors give the briefings. Officials at the action officer level said these senior officials go through an education process in preparing for the JMRR, a process that focuses their attention on current readiness issues.

Cyclical Schedule Institutionalizes Readiness Assessment

The JMRR follows a recurring cycle in which the participating DOD components conduct their readiness assessments and provide their reports to the Joint Staff every 3 months. Within this quarterly cycle, the JMRR has two distinct formats—a Full JMRR and a Feedback JMRR. (Fig. 3.2 shows the annual schedule for the two formats.)

Figure 3.2: Annual Schedule for the Full JMRR and Feedback JMRR



At the beginning of each quarterly cycle, a Full JMRR is held to get input from the DOD components on their readiness status and deficiencies. The assessment process leading up to the Full JMRR begins when the Joint Staff Readiness Division issues planning guidance describing the scenario to be assessed. The combatant commands and the combat support agencies conduct their readiness assessments and provide their reports to the Joint Staff. The Joint Staff analyzes these reports and summarizes them in a briefing. The military services conduct separate readiness assessments and develop their own briefings. The joint and service briefings are given at the quarterly Full JMRR meeting. In the 2 months of each quarter that a Full JMRR is not held, the DOD components are required to report any major changes in their readiness.

After the Full JMRR meeting, the Director Joint Staff assigns newly identified deficiencies to the appropriate Joint Staff directorates. For instance, deficiencies related to joint personnel are assigned to the Directorate for Manpower and Personnel. A joint personnel deficiency may involve the level of peacetime staffing of a command headquarters organization. The Joint Staff directorates are responsible for tracking the deficiencies assigned to them and coordinating corrective actions. A Feedback JMRR is held 2 months after each Full JMRR as a forum for the Joint Staff directorates to report on the new deficiencies identified in the previous Full JMRR and to give an update on progress addressing deficiencies.

The routine, cyclical nature of the JMRR has institutionalized the readiness assessment process at DOD. The JMRR requires regular input from a broad spectrum of officials across the agency. To participate in the JMRR, DOD components have established internal processes for gathering readiness information, conducting their assessments, and obtaining approval of the assessments from senior leaders. The preparation for the Full JMRR and Feedback JMRR meetings involves extensive discussions and regular meetings among various participants in the process.

Officials said the JMRR has undergone some changes since its inception in 1994 but has matured over the past year or so. One significant change, in 1996, was a requirement that the Joint Staff directorates conduct the Feedback JMRR briefings on the deficiencies for which they are responsible. In the early Feedback JMRRs, the Readiness Division had conducted these briefings. An official at one Joint Staff directorate said this change promoted more ownership of the issues by the directorates. The JMRR is still being refined. In May 1997, for instance, the services were

required to provide regular assessments of (1) antiterrorism/force protection readiness and (2) special-interest areas such as maritime prepositioning and war reserve stocks.

JMRR Incorporates Wartime Scenarios

Planning guidance issued by the Joint Staff Readiness Division prior to each Full JMRR provides details on the wartime scenario to be assessed. Past scenarios have involved two major theater wars or a single major theater war plus a smaller scale contingency. In a few cases, a scenario has incorporated other threats such as terrorism. The planning guidance identifies the war plans and taskings the components are to use in their assessments. The guidance also specifies key dates, such as the day the scenario is to commence, and discusses assumptions regarding the availability of reserve forces and strategic lift assets.

Joint Staff Readiness Division officials said a scenario may be based on guidance from the Director for Operations or other senior Joint Staff officials. Alternatively, Readiness Division officials may suggest a scenario. The key planning documents used in drafting the scenario are the National Military Strategy, Defense Planning Guidance, and Joint Strategic Capabilities Plan. In addition, Readiness Division officials said they receive input from intelligence officials and from the combatant commands.

Various readiness officials viewed the wartime scenario as an important aspect of the JMRR. They said it raises "what if" questions and provides insight on whether U.S. forces would be ready today to carry out a war plan with existing resources. According to readiness officials, most of the JMRR deficiencies identified by the combatant commands have been related to a scenario.

Combatant Commands Provide a Joint Perspective

In our 1994 report, we criticized the lack of a joint perspective in DOD's readiness assessment process. Also in 1994, the Defense Science Board task force on readiness found that DOD lacked a clear definition of joint readiness and a system to measure it. While combatant commands reported periodically to the Chairman of the Joint Chiefs of Staff on a range of joint force readiness subjects, there was no defined comprehensive approach to assigning responsibilities and matching control of resources to these responsibilities, the task force said.¹

¹Report of the Defense Science Board Task Force on Readiness (June 1994).

The JMRR is structured to incorporate the joint readiness concerns of the combatant commands. The commands assess their readiness in eight functional areas—joint personnel; intelligence, surveillance, and reconnaissance; special operations; mobility; logistics and sustainment; infrastructure; command, control, communications, and computers; and joint headquarters capability. A rating scale is used to rank the readiness of each functional area. Separate ratings are assessed for current readiness, projected readiness, and readiness to meet the demands of each conflict or threat in the scenario. The scale runs from C-1 (most ready) to C-4 (least ready). JMRR officials at the combatant commands told us that the eight functional areas cover the key areas of joint readiness that need to be assessed.

JMRR Process Tracks and Addresses Deficiencies

The outcome of the JMRR is a list of deficiencies that fall under the eight functional areas. Readiness concerns that are rated by the combatant commands or the combat support agencies as C-3 or below are considered to be JMRR deficiencies.² For instance, one combatant command rated its readiness for intelligence, surveillance, and reconnaissance as C-3 because of insufficient mapping for major portions of his geographical area. The Joint Staff enters such deficiencies into its deficiency database so they can be tracked. The database assigns a control number to each deficiency and contains a number of data fields, such as a short description of the deficiency, its source, impact, status, date opened, and estimated completion date for corrective actions. The Joint Staff directorates responsible for tracking deficiencies update the database, which is made available to all JMRR participants.

We checked selected deficiencies reported by the combatant commands and found that they were included in the database. The entries in the database often contained more detail than the original input because the Joint Staff directorates documented new information as they addressed the issue. As of January 1998, 237 deficiencies had been entered into the database. Most deficiencies were reported by either the U.S. Central Command or the Combined Forces Command, the leading combatant commands in a scenario involving two major theater wars.

Although the combatant commands report service-related deficiencies, the database generally does not include readiness deficiencies identified by the military services. For example, one service reported that its readiness

²A C-3 rating indicates that the command or agency has significant deficiencies that reduce its capability to perform assigned missions.

to respond to a worldwide terrorism threat was C-3 because it did not have enough special security units. Such service-identified deficiencies are not entered into the database to be monitored or addressed by the Joint Staff. The officials said that the services are responsible for addressing their own deficiencies independent of the Joint Staff. At the same time, however, the services are actively involved in addressing deficiencies reported by the combatant commands.

Deficiencies in the database are categorized as either readiness deficiencies or capabilities deficiencies. A "readiness deficiency" is one in which existing resources are not prepared to accomplish assigned tasks. A typical readiness deficiency involves personnel who lack required training. A "capability deficiency," on the other hand, denotes a lack of resources within DOD to meet mission requirements. For example, a combatant command may not have sufficient reconnaissance assets to monitor its key geographical areas. More than three-fourths of all deficiencies identified through the JMRR have been capability deficiencies.

Some service officials we interviewed said that the combatant commands clog the JMRR process by reporting a large number of capability deficiencies, diverting attention from readiness deficiencies. Some of the reported deficiencies are, in their opinion, of relatively minor importance. JMRR officials at the combatant commands rejected this criticism. They said the JMRR is their vehicle for reporting all deficiencies, including capability deficiencies, and a combatant commander would not report a deficiency he deems to be trivial.

A deficiency in the database may be closed with the approval of the Director Joint Staff or through an annual revalidation process in which the combatant commands review their previously reported deficiencies to ensure they are still relevant. As of January 1998, 91 of the 237 (38 percent) deficiencies in the database had been closed. For example, a combatant command reported that the wartime staffing authorization for one of its service components was too low. In response, the service designated staff to the component headquarters for wartime, and this deficiency was closed. Joint Staff officials, however, said relatively few deficiencies are solved quickly. Most of the deficiencies reflect major, long-term problems for which mitigating countermeasures are sought. In some cases, DOD has decided not to address the deficiency but to understand and live with the risk it poses. In other cases, programmatic action is required to address the deficiency.

For JMRR deficiencies requiring programmatic action within DOD, a linkage has been established with another Joint Staff process—the Joint Warfighting Capabilities Assessment. This capabilities assessment is intended to help the Chairman of the Joint Chiefs of Staff influence DOD funding decisions. Functionally oriented teams study military capability issues that require significant expenditures. The teams' findings and recommendations are used to formulate the Chairman's Program Recommendations and Chairman's Program Assessment, which in turn influence the Defense Planning Guidance. Twice a year, the Director Joint Staff nominates JMRR deficiencies for study by the Joint Warfighting Capabilities Assessment. In August 1997, for example, 18 JMRR deficiencies were nominated. The nominated deficiencies compete for attention with other resource needs reported by the combatant commands.

Assessments Are Not Standardized and Are Subjective by Design

Joint Staff policies on the JMRR provide considerable flexibility to the participating DOD components in how they conduct their assessments. As a result, the components have developed their own JMRR assessment processes to comply with the Joint Staff's reporting requirements.

At the combatant commands, the JMRR assessments are based on input from the headquarters staff directorates and from the service component commands. An assessment for each of the eight functional areas is approved by the responsible staff director. The functional area assessments are then combined into an overall JMRR assessment that is reviewed by the chain of command. Once approved, the assessment is reported to the Joint Staff. To conduct their readiness assessments, the combatant commands have independently developed measures for each of the eight functional areas. For instance, U.S. Central Command officials said they have developed three to five measures for most of the functional areas. Officials told us this flexibility is appropriate because of the differing missions of the commands and their areas of responsibility.

The services, like the combatant commands, draw JMRR input from a variety of sources. Service readiness officials said the predominant indicators they use are derived from SORTS, which they found useful for a variety of analyses. However, they added that SORTS data often does not stand on its own, and service headquarters officials must investigate the reasons that a unit reports degraded readiness. JMRR officials in the service operations directorates seek input as needed from other directorates, such as personnel and logistics. These directorates, in turn, have developed their own processes for gathering JMRR input. The logistics directorates at

the Air Force and the Navy, for example, gather SORTS data and other data for various critical support enablers, such as sustainment, maintenance, and engineering. This information is used to develop C ratings similar to those the combatant commands use for their eight functional areas.

Despite the use of various readiness indicators, JMRR assessments are fundamentally subjective. Readiness officials said subjectivity was critical to obtaining a sound assessment of readiness because of the inherent problems of quantifying and measuring all factors affecting readiness. Readiness indicators are tools to be used by commanders. JMRR assessments are subject to change throughout the review and approval process, and the final assessment ultimately represents each commander's military judgment.

Service officials told us they may improve their overall readiness ratings by substituting units for those apportioned in war plans. For example, a unit may have key equipment in maintenance that is not available for the scenario. In such cases, another unit would be chosen for the scenario. The officials said such substitutions would occur in the event of a real crisis. In addition, service officials may use more optimistic assumptions to improve a unit's readiness rating. For example, one service official told us that he recalculated the readiness rating for some units by assuming that the units could travel faster and arrive in theater sooner. The command that made the initial calculation agreed with these changes, he said.

The JMRR relies on the voluntary participation of DOD components to offer realistic assessments of their readiness. No procedures exist to validate the components' assessments. Furthermore, the services do not provide backup data to the Joint Staff in support of their JMRR assessments. Joint Staff officials, however, said they were satisfied with the level of service involvement in the process. In addition, the Joint Staff independently monitors unit readiness through SORTS and gathers information on specific service-related readiness issues as they arise.

According to the OSD readiness office, the objectivity of JMRR assessments could be improved by integrating the review with the joint training system. The joint training system evaluates the capabilities of joint forces based on an approved set of tasks, conditions, and standards, and the combatant commands could be required to evaluate their readiness based on these same tasks, conditions, and standards. According to OSD, the JMRR assessments also could be made more objective by using simulation

models to verify a unit's mobilization capability and its ability to move to the designated port of embarkation. This information would enhance the credibility of war plans and improve JMRR assessments of scenario readiness, they said. An OSD official told us, however, that there were no current plans to implement these ideas.

Conclusions

Since its establishment in 1994, the JMRR has enabled DOD to make a more comprehensive assessment of readiness by looking beyond the traditional view of unit readiness provided by SORTS. On a recurring basis, combatant commands, combat support agencies, and the military services provide current and near-term readiness assessments to senior military officials. However, the JMRR assessments are largely subjective by design, and standard measures are not used to assess the eight functional areas. As a result, JMRR results cannot be used to make direct comparisons among the commands in the eight functional areas. Nevertheless, we believe the JMRR represents progress toward a more encompassing readiness assessment process in DOD.

Quarterly Reports Provide Vague Description of Readiness Problems and Remedial Actions

DOD's quarterly reports to Congress provide only a vague description of readiness issues; consequently, they are not effective as a congressional oversight tool. The reports accurately reflect information from briefings to the Senior Readiness Oversight Council and present a highly summarized view of readiness, focusing on generalized strategic concerns. They are not intended to, and do not, highlight problems at the individual combatant command or unit level. DOD officials offered this as an explanation for why visits to individual units may yield impressions of readiness that are not consistent with the quarterly reports. While the reports identify readiness problems, they do not fulfill the legislative reporting requirements under 10 U.S.C. 482 because they lack specific detail on the problems and planned remedial actions.

Reports Accurately Reflect Briefing Documents

A comparison of DOD's May and July 1997 quarterly readiness reports to Congress with the corresponding SROC briefings showed that the reports accurately reflected the briefings. In fact, the quarterly reports often described the issues using the same wording contained in the briefings to the Council. Examples follow:

- The two most significant issues highlighted in the May quarterly report were based on briefings to the April 1997 SROC. One concerned problems with Air Force pilot retention, and the other concerned Army personnel shortfalls.
- In the May 1997 quarterly report, service forecasts of unit readiness, designated by trend arrows pointing up, down, or even, accurately reflected briefings provided to the March 1997 SROC. Service forecasts in the July 1997 quarterly report also accurately reflected service briefings to the May 1997 SROC.
- The overall risk assessment provided in the May 1997 quarterly report accurately reflected the Joint Staff assessment provided in a briefing to the SROC in April 1997. Similarly, the overall risk assessment in the July 1997 quarterly report accurately reflected the Joint Staff assessment provided in a briefing to the SROC in May 1997.

As part of our review, we traced selected information in the March and April 1997 SROC briefings to the information discussed in the January and April 1997 JMRR briefings. We confirmed that the information in the SROC briefings was based on Joint Staff and service briefings. Finally, we traced selected information in the Joint Staff and service JMRR briefings to the supporting input. We found that the JMRR briefings prepared by the Joint Staff accurately captured combatant command and support agency input

and that the JMRR briefings prepared by the services accurately incorporated input from their directorates and field commands. Because minutes of the SROC meetings are not maintained, we could not determine how accurately the quarterly reports reflected actual discussion at these meetings.

Reports Reflect Strategic-Level Briefings Provided to SROC

As a senior-level forum, the SROC focuses on the preparedness of U.S. military forces to carry out the national military strategy. A typical SROC meeting is scheduled for 1 hour and includes briefings from the Vice Chairman of the Joint Chiefs of Staff, the service chiefs, or their designated representatives. The SROC briefings are basically summaries of the information discussed in the JMRR or are in response to requests from the Deputy Secretary of Defense for information on special readiness topics. Our review of selected service JMRR and SROC briefings showed the services did not include all information presented to the SROC that was briefed to the JMRR. For example, the readiness of critical support functions, such as engineering, field services, theater mobility support, and security, which is briefed to the JMRR, was not included in the SROC briefing documents.

The SROC is designed to promote open discussion among the senior-level participants. The discussion centers around a few readiness topics and does not consistently cover all readiness indicators. In the past, testimony, the news media, congressional reports, and OSD trip reports from visits to units in the field have provided the basis for SROC topics. The format of the SROC also allows service chiefs the discretion to highlight and brief any readiness deficiency they choose. Furthermore, senior-level service officials may update information briefed to the SROC from what was briefed to the JMRR. During our review, for instance, we found that one service made updates to emphasize the need for timely reimbursement of funds spent on contingency operations.

Since the quarterly readiness report flows from the SROC, it too contains readiness information at the strategic level. Further, information excluded from SROC briefing documents, such as the readiness of critical support functions, is also excluded from the quarterly reports. As a result, the aggregated information in DOD's quarterly report does not include specific deficiencies. Officials said this was an explanation for why visits to individual units may yield impressions of readiness that differ from those given in official reports. Some officials said the quarterly report was too aggregated and bland to be of any use. Other DOD officials, on the other

hand, said the quarterly report does a good job of summarizing the current state of readiness in the armed forces. Officials emphasized that the quarterly report is not the only medium for providing readiness information to Congress. Readiness information is also provided in testimony, reports, and discussions with congressional staff.

Our review of six quarterly reports issued since May 1996 disclosed that forecasts of service readiness tended to reflect a stable or positive readiness situation. In each of these reports, the services made forecasts in three assessment areas—personnel, equipment, and training—for a total of 72 forecasts. Of these forecasts, only 10 (about 14 percent) were negative. The remaining forecasts showed a fixed or positive readiness trend. Further, DOD's overall assessment of current readiness remained generally constant from report to report. For example, every quarterly report stated that "U.S. forces remain ready to execute their assigned mission" and "short-term degradation of readiness can be expected as units redeploy from contingencies or modernize."

An OSD official estimated that 70 to 80 percent of the quarterly report is routine narrative with little variation between reports. Officials conceded that major readiness concerns do not change significantly from one quarter to the next. Officials pointed to the large funding commitments and time needed to address major readiness deficiencies. Shortfalls in equipment and spare parts, for example, may require long-term funding to fix the problem. Such deficiencies, because they are not resolved, will appear in DOD's readiness report each quarter.

Reports Do Not Provide Supporting Data for Identified Problems

The quarterly readiness reports make general references to readiness problems, but they do not specifically describe the problems or provide supporting data as required under 10 U.S.C. 482(b). In the May 1997 quarterly report, for example, DOD identified several broad areas of readiness deficiencies. For each, the report referred to one or more actual deficiencies. Omitted, however, were the precise nature of these problems, the data to support them, and their effect on readiness. Examples follow:

- The report cited Army personnel readiness as a problem, followed by a listing of three deficiencies: (1) personnel shortfalls and turbulence, (2) units with unstaffed squads, and (3) reassignment of soldiers to critical support fields. The report did not, however, provide any other supporting narrative or data, such as figures on the personnel or units involved. In

addition, the report did not discuss how these deficiencies affected readiness.

- The report cited Air Force equipment readiness as a problem, noting deficiencies in the (1) availability of bare base assets, (2) reduced aircraft mission-capable rates, and (3) readiness of spare package fill rates. No other supporting narrative or data was included, such as figures on the availability of mission-capable aircraft.
- The report cited joint readiness for ongoing operations as a concern with respect to (1) high operations tempo for some systems and (2) personnel tempo. However, narrative or supporting data to illustrate the extent of operations tempo, such as the numbers of tank miles and flight hours executed, was absent.

Our review of other quarterly reports showed a similar lack of supporting data for identified readiness deficiencies. The classified annex to the reports contained additional information on some deficiencies but lacked specific descriptions and supporting data.

Reports Address Planned Remedial Actions to a Limited Extent

DOD is required under 10 U.S.C. 482(b) to specifically describe planned remedial actions for readiness deficiencies, but we found the reports addressed remedial actions only to a limited extent. The discussion of remedial actions is in general terms, with few specific details, providing little insight into how DOD plans to correct the problems. The reports, for instance, do not address remedial action timelines, specific objectives, responsible offices, or funding requirements, as the following examples from the May 1997 report show.

- To correct a problem with Army training readiness, DOD reported that the service was “working on solutions” to address staffing problems caused by force structure imbalance. From this description, it is unclear exactly what actions DOD was considering or implementing to correct the problems or when they would be fixed.
- To address a problem with Air Force personnel readiness, DOD’s report stated that to increase the number of pilots in the service, the Air Force had formed teams to start corrective actions using compensation, quality of life, staff conversions, and so on. DOD did not report what these corrective actions would cost, the number of pilots targeted, and when the problem would be fixed.
- To correct a problem with joint readiness for mobility, DOD reported that a wartime evacuation plan had been reworked and key sealift and aircraft assets would be acquired over the upcoming 6-year budget period. While

the quarterly report identified a planned remedial action, the report did not provide all the information necessary to fully understand the corrective action, such as the numbers and types of assets to be acquired and the associated costs.

In a few cases, the classified annex to the report contained further information on planned remedial actions. However, information such as time frames and funding requirements was not included.

Conclusions and Recommendation

DOD is required under 10 U.S.C. 482 to specifically describe readiness problems and provide indicators and other relevant information, yet DOD's quarterly reports do not discuss the precise nature of each identified deficiency, the data supporting the deficiency, and its effect on readiness. Further, while DOD is required to provide information on planned remedial actions, the quarterly reports could be more complete and detailed. For example, they could include specific details on timelines, objectives, responsible offices, or funding requirements. Lacking such detail, the quarterly reports provide Congress with only a vague picture of DOD's readiness problems. To enhance the effectiveness of the quarterly readiness report as a congressional oversight tool, we recommend that the Secretary of Defense take steps to better fulfill the legislative reporting requirements under 10 U.S.C. 482 by providing (1) supporting data on key readiness deficiencies and (2) specific information on planned remedial actions.

Agency Comments

In written comments on a draft of this report, DOD concurred with the recommendation and stated that it was taking action. Specifically, DOD stated that the Senior Readiness Oversight Council had begun to focus greater attention on specific issues that can have significant effects on readiness. As these issues are addressed, they will be included in the quarterly report. In addition, DOD stated that the reports will include any possible remedial actions required.

DOD's comments appear in their entirety in appendix I. DOD also provided technical comments, which we have incorporated as appropriate.

Comments From the Department of Defense

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



PERSONNEL AND
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Mr. Mark E. Gebicke
Director, Military Operations and Capabilities Issues
National Security and International Affairs Division
U.S. General Accounting Office
Washington DC 20548

Dear Mr. Gebicke:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report, "MILITARY READINESS: Reports to Congress Provide Few Details on Deficiencies and Solutions," dated January 28, 1998 (GAO Code 703217 and 709210/OSD Case 1530). The Department concurs with the recommendation. Our technical corrections have been incorporated into the final version.

GAO RECOMMENDATION: To enhance the effectiveness of DoD's quarterly readiness report as a congressional oversight tool, the GAO recommended that the Secretary of Defense take steps to better fulfill the legislative reporting requirements under 10 U.S.C. 482 by providing (1) supporting data on key readiness deficiencies and problems (2) specific information on planned remedial actions. (p. 10, p. 53/GAO Draft Report).

DoD RESPONSE: Concerning the draft GAO report's recommendations on providing more specifics on readiness concerns and remedial actions, we are making changes in our process that address this specific point. Traditionally, presentations on readiness deficiencies in both the DoD's Senior Readiness Oversight Council (SROC), and DoD quarterly Readiness Reports to Congress (RRC) involved broad descriptions of aggregations of deficiencies and responses. While appropriate to executive-level discussions of these matters, we recognized that there were, on occasion, specific readiness issues that did not get the focused attention they deserved. Therefore, over the last several months, the SROC has had focused attention on hot-button issues that can potentially have significant effects on readiness. Some examples of specific issues include: recruiting and retention, FY 1998 O&M funding for readiness, PERSTEMPO, and aviation readiness. As these focused concerns and consequential responses are addressed, they will be included in our Quarterly Readiness Reports to Congress. As appropriate, the reports will include any possible remedial actions required.

The Department of Defense is taking steps consistent with the draft GAO report's recommendations regarding providing additional readiness reporting data. We have recently submitted to Congress our report that sets out our plan to implement the



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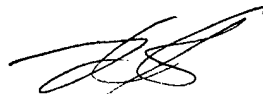
Appendix I
Comments From the Department of Defense

reporting requirements under 10 U.S.C. 482. Our plan is designed to increase substantially the amount of data on readiness available directly to Congress, consistent with the recommendations in the draft GAO report. This expanded readiness reporting is, under our plan, scheduled for implementation beginning in October of this year in compliance with the statute cited above.

With respect to the draft GAO report's findings, I would like to offer some observations with respect to their consideration of the Department's Status of Resources and Training System (SORTS). First, we agree that there are several improvements in order and we are taking steps to make them. Second, in some instances, the draft report seems to suggest that SORTS should be the source of most of the quantitative readiness information available to senior leaders. SORTS' ultimate information source is at the operational unit level, and for data that has its roots in units, SORTS is generally the information vehicle of choice. Data sources for many indicators of readiness, however, have their roots elsewhere (e.g., depot workload/induction rates, recruiting and retention data). For those indicators, we have separate reporting means, and it would not make sense to merge them with SORTS. Third, the draft report seems critical of subjective reporting under SORTS. To begin with, much of the information is objective and quantitative. Commanders may appropriately apply subjective judgments on the implications of the resource levels to affect overall C-levels, but they can not and do not change the numbers. Moreover, such subjective judgments are an important necessity of effective readiness reporting. There are so many assets and considerations that effect readiness in a unit that no quantitative reporting system can capture them all. While our reporting system can and does provide data on many major drivers of readiness, it is only the commander that has visibility into all the pieces of readiness and their complex interaction.

Thank you for the opportunity to review this draft report. The issues it raises are important considerations as we continue to strive to improve the readiness of our forces and how we measure it.

Sincerely,



Louis C. Finch
Deputy Under Secretary of Defense
Readiness

The following are GAO's comments on the Department of Defense's (DOD) letter dated March 13, 1998.

GAO Comments

1. We recognize that sources of quantitative readiness information other than the Status of Resources and Training System (SORTS) exist, and the report refers to these sources. Furthermore, the 1994 review conducted by our office and the 1994 DOD-funded study by the Logistics Management Institute concluded that a broader range of readiness indicators was needed, but both left open how DOD could best integrate additional measures into its readiness reporting.

2. We recognize that much of the information in SORTS is objective and quantitative. Furthermore, we agree that it is appropriate for commanders to apply subjective judgments to SORTS ratings. The judgment of a unit commander based on professional military expertise may result in a more accurate report of readiness than would be the case if only quantitative measures were used. However, we have previously reported instances where, because of subjectivity, SORTS ratings appeared to paint a rosier picture of readiness than did various military officials, who expressed concerns about readiness in their discussions with us, or even in correspondence with higher headquarters. Specifically, our past work has demonstrated that commanders rarely degrade their unit's overall readiness rating to reflect these concerns when they are not portrayed in the quantitative portion of SORTS.